

## **IC 23-2-5**

### **Chapter 5. Loan Brokers**

## **IC 23-2-5-1**

### **"Commissioner" defined**

23-2-5-1 Sec. 1. As used in this chapter, "commissioner" refers to the securities commissioner appointed under IC 23-2-1-15(a).

*As added by P.L.235-1985, SEC.1.*

## **IC 23-2-5-2**

### **"Loan" defined**

23-2-5-2 Sec. 2. As used in this chapter, "loan" means any agreement to advance money or property in return for the promise to make payments for the money or property.

*As added by P.L.235-1985, SEC.1.*

## **IC 23-2-5-3**

### **"Loan broker", "creditor", and "originator" defined**

23-2-5-3 Sec. 3. (a) As used in this chapter, "certificate of registration" means a certificate issued by the commissioner authorizing an individual to engage in origination activities on behalf of a licensee.

(b) As used in this chapter, "creditor" means a person:

- (1) that loans funds of the person in connection with a loan; and
- (2) to whom the loan is initially payable on the face of the note or contract evidencing the loan.

(c) As used in this chapter, "license" means a license issued by the commissioner authorizing a person to engage in the loan brokerage business.

(d) As used in this chapter, "licensee" means a person that is issued a license under this chapter.

(e) As used in this chapter, "loan broker" means any person who, in return for any consideration from any source procures, attempts to procure, or assists in procuring a loan from a third party or any other person, whether or not the person seeking the loan actually obtains the loan. "Loan broker" does not include:

(1) any bank, savings bank, trust company, savings association, credit union, or any other financial institution that is:

- (A) regulated by any agency of the United States or any state; and
- (B) regularly actively engaged in the business of making consumer loans that are not secured by real estate or taking assignment of consumer sales contracts that are not secured by real estate;

(2) any insurance company; or

(3) any person arranging financing for the sale of the person's product.

(f) As used in this chapter, "loan brokerage business" means a person acting as a loan broker.

(g) As used in this chapter, "origination activities" means

communication with or assistance of a borrower or prospective borrower in the selection of loan products or terms.

(h) As used in this chapter, "originator" means a person engaged in origination activities. The term "originator" does not include a person who performs origination activities for any entity that is not a loan broker under subsection (e).

(i) As used in this chapter, "person" means an individual, a partnership, a trust, a corporation, a limited liability company, a limited liability partnership, a sole proprietorship, a joint venture, a joint stock company, or another group or entity, however organized.

(j) As used in this chapter, "registrant" means an individual who is registered to engage in origination activities under this chapter.

(k) As used in this chapter, "ultimate equitable owner" means a person who, directly or indirectly, owns or controls any ownership interest in a person, regardless of whether the person owns or controls the ownership interest through one (1) or more other persons or one (1) or more proxies, powers of attorney, or variances.

*As added by P.L.235-1985, SEC.1. Amended by P.L.247-1987, SEC.1; P.L.1-1990, SEC.242; P.L.8-1993, SEC.314; P.L.79-1998, SEC.22; P.L.230-1999, SEC.1; P.L.14-2000, SEC.52; P.L.115-2001, SEC.1; P.L.73-2004, SEC.12.*

#### **IC 23-2-5-4**

##### **Application for license; necessity; registration of employees**

23-2-5-4 Sec. 4. (a) Any person desiring to engage or continue in the loan brokerage business shall apply to the commissioner for a license under this chapter.

(b) An individual employed by a licensee to engage in origination activities shall be registered, by the licensee, with the commissioner under section 5(a)(6) and section 5(c) of this chapter.

*As added by P.L.235-1985, SEC.1. Amended by P.L.230-1999, SEC.2.*

#### **IC 23-2-5-5**

##### **Application for license; contents; bond; issuance; service of process**

23-2-5-5 Sec. 5. (a) An application for license or renewal of a license must contain:

- (1) consent to service of process under subsection (e);
- (2) evidence of the bond required in subsection (b);
- (3) an application fee of two hundred dollars (\$200);
- (4) an affidavit affirming that none of the applicant's ultimate equitable owners, directors, managers, or officers have been convicted, in any jurisdiction, of an offense involving fraud or deception that is punishable by at least one (1) year of imprisonment, unless waived by the commissioner under subsection (f);
- (5) evidence that the applicant, if the applicant is an individual, has completed the education requirements under section 21 of this chapter;

(6) a registration form setting forth the name, home address, home telephone number, and Social Security number of each employee or prospective employee of the applicant who is or who will be engaged in origination activities; and

(7) evidence that the license applicant's proposed registrants have completed the education requirements of section 21 of this chapter.

(b) A licensee must maintain a bond satisfactory to the commissioner in the amount of fifty thousand dollars (\$50,000), which shall be in favor of the state and shall secure payment of damages to any person aggrieved by any violation of this chapter by the licensee.

(c) The commissioner shall issue a license to an applicant that meets the licensure requirements of this chapter. Whenever the registration provisions of this chapter have been complied with, the commissioner shall issue a certificate of registration authorizing the registrant to engage in origination activities.

(d) Licenses issued by the commissioner before January 1, 2001, shall be valid, and renewal of such licenses shall not be required until January 1, 2001. Individuals engaging in origination activities for a licensee before January 1, 2001, shall not be required to apply for and receive a certificate of registration until January 1, 2001. Except as otherwise provided in this subsection, licenses and certificates of registration issued by the commissioner are valid until January 1 of the second year after issuance. The education requirements of section 21 of this chapter shall first apply to applicants for issuance or renewal of licenses or registrations effective as of January 1, 2001.

(e) Every applicant for licensure or for renewal of a license shall file with the commissioner, in such form as the commissioner by rule or order prescribes, an irrevocable consent appointing the secretary of state to be the applicant's agent to receive service of any lawful process in any noncriminal suit, action, or proceeding against the applicant arising from the violation of any provision of this chapter. Service shall be made in accordance with the Indiana Rules of Trial Procedure.

(f) Upon good cause shown, the commissioner may waive the requirements of subsection (a)(4) for one (1) or more of an applicant's ultimate equitable owners, directors, managers, or officers.

(g) Whenever an initial or renewal application for license is denied or withdrawn, the commissioner shall retain the initial or renewal application fee paid.

*As added by P.L.235-1985, SEC.1. Amended by P.L.247-1987, SEC.2; P.L.113-1992, SEC.4; P.L.11-1996, SEC.18; P.L.230-1999, SEC.3; P.L.115-2001, SEC.2.*

## **IC 23-2-5-6**

### **Renewal of license or registration**

23-2-5-6 Sec. 6. A licensee may not continue engaging in the loan brokerage business unless the licensee's license is renewed

biennially. A registrant may not continue engaging in origination activities unless the registrant's certificate of registration is renewed biennially. A licensee shall renew its license and the certificates of registration of its registrant employees by filing with the commissioner, at least thirty (30) days before the expiration of the registration, an application containing any information the commissioner may require to indicate any material change from the information contained in the applicant's original application or any previous application.

*As added by P.L.235-1985, SEC.1. Amended by P.L.11-1996, SEC.19; P.L.230-1999, SEC.4; P.L.115-2001, SEC.3.*

#### **IC 23-2-5-7**

##### **Loan broker regulation account**

23-2-5-7 Sec. 7. (a) The loan broker regulation account is created in the state general fund. The money in the loan broker regulation account may be used only for the regulation of loan brokers under this chapter. The loan broker regulation account shall be administered by the treasurer of state. The money in the loan broker regulation account does not revert to any other account within the state general fund at the end of a state fiscal year.

(b) Except as provided in subsection (c), all fees and funds accruing from the administration of this chapter shall be accounted for by the commissioner and shall be deposited with the treasurer of state who shall deposit them in the loan broker regulation account in the state general fund.

(c) All expenses incurred in the administration of this chapter shall be paid from appropriations made from the state general fund. However, costs of investigations and civil penalties recovered under this chapter shall be deposited in the securities division enforcement account created under IC 23-2-1-15. The funds in the securities division enforcement account shall be available, with the approval of the state budget agency, to augment and supplement the funds appropriated for the administration of this chapter.

*As added by P.L.235-1985, SEC.1. Amended by P.L.115-2001, SEC.4.*

#### **IC 23-2-5-8**

##### **Repealed**

*(Repealed by P.L.113-1992, SEC.10.)*

#### **IC 23-2-5-9**

##### **Statute of frauds**

23-2-5-9 Sec. 9. (a) To be enforceable, every contract for the services of a loan broker shall be in writing and signed by the contracting parties.

(b) At the time a contract for the services of a loan broker is signed, the loan broker shall provide a copy of the signed contract to each of the other parties to the contract.

(c) This section does not apply to a contract that provides for the

payment of referral fees by a lender or a third party.

*As added by P.L.235-1985, SEC.1. Amended by P.L.113-1992, SEC.5.*

#### **IC 23-2-5-10**

##### **Violation of chapter, rule, or order; hearing, notice, and order; denial, suspension, or revocation of license or registration**

23-2-5-10 Sec. 10. (a) Whenever it appears to the commissioner that a person has engaged in or is about to engage in an act or a practice constituting a violation of this chapter or a rule or an order under this chapter, the commissioner may investigate and may issue, with a prior hearing if there exists no substantial threat of immediate irreparable harm or without a prior hearing, if there exists a substantial threat of immediate irreparable harm, orders and notices as the commissioner determines to be in the public interest, including cease and desist orders, orders to show cause, and notices. After notice and hearing, the commissioner may enter an order of rescission, restitution, or disgorgement, including interest at the rate of eight percent (8%) per year, directed to a person who has violated this chapter or a rule or order under this chapter.

(b) Upon the issuance of an order or notice without a prior hearing by the commissioner under subsection (a), the commissioner shall promptly notify the respondent:

- (1) that the order or notice has been issued;
- (2) of the reasons the order or notice has been issued; and
- (3) that upon the receipt of a written request the matter will be set down for a hearing to commence within fifteen (15) business days after receipt of the request unless the respondent consents to a later date.

If a hearing is not requested and not ordered by the commissioner, an order remains in effect until it is modified or vacated by the commissioner. If a hearing is requested or ordered, the commissioner, after notice of an opportunity for hearing, may modify or vacate the order or extend it until final determination.

(c) The commissioner may deny, suspend, or revoke the license of a licensee or the registration of a registrant if the licensee or the registrant:

- (1) fails to maintain the bond required under section 5 of this chapter;
- (2) is insolvent;
- (3) has violated any provision of this chapter;
- (4) has knowingly filed with the commissioner any document or statement containing any false representation of a material fact or omitting to state a material fact or if a representation becomes false after the filing but during the term of a license or certificate of registration as provided in subsection (g); or
- (5) has been convicted, within ten (10) years before the date of the application, renewal, or review, of any crime involving fraud or deceit.

(d) The commissioner may not enter a final order denying,

suspending, or revoking the license of a licensee or the registration of a registrant without prior notice to all interested parties, opportunity for a hearing, and written findings of fact and conclusions of law. However, the commissioner may by summary order deny, suspend, or revoke a license or certificate of registration pending final determination of any proceeding under this section. Upon the entry of a summary order, the commissioner shall promptly notify all interested parties that it has been entered, of the reasons for the summary order, and that upon receipt by the commissioner of a written request from a party, the matter will be set for hearing to commence within fifteen (15) business days after receipt of the request. If no hearing is requested and none is ordered by the commissioner, the order remains in effect until it is modified or vacated by the commissioner. If a hearing is requested or ordered, the commissioner, after notice of the hearing has been given to all interested persons and the hearing has been held, may modify or vacate the order or extend it until final determination.

(e) IC 4-21.5 does not apply to a proceeding under this section.

(f) If:

(1) a licensee desires to have a previously unregistered employee begin engaging in origination activities; or

(2) an individual who was previously registered under this chapter is employed by another licensee who desires to have the registrant engage in origination activities;

the employer licensee shall, within fifteen (15) days after the employee first conducts origination activities, submit to the commissioner, on a form prescribed by the commissioner, notice of the registrant's employment. If the employee has not previously been registered, the licensee shall submit evidence that the employee has completed the education requirements of section 21 of this chapter.

(g) If a material fact or statement included in an application under this chapter changes after the application has been submitted, the applicant shall provide written notice to the commissioner of the change. The commissioner may revoke or refuse to renew the license or registration of any person who:

(1) is required to submit a written notice under this subsection and fails to provide the required notice within two (2) business days after the person discovers or should have discovered the change; or

(2) would not qualify for licensure or registration under this chapter as a result of a change in material fact or statement.

*As added by P.L.235-1985, SEC.1. Amended by P.L.11-1996, SEC.20; P.L.230-1999, SEC.5; P.L.14-2000, SEC.53; P.L.270-2003, SEC.3.*

## **IC 23-2-5-11**

### **Powers and duties of commissioner; use immunity for witnesses; certificate of compliance or noncompliance**

23-2-5-11 Sec. 11. (a) The commissioner may do the following:

(1) Adopt rules under IC 4-22-2 to implement this chapter.

(2) Make investigations and examinations:

(A) in connection with any application for licensure or for registration of a licensee or registrant or with any license or certificate of registration already granted; or

(B) whenever it appears to the commissioner, upon the basis of a complaint or information, that reasonable grounds exist for the belief that an investigation or examination is necessary or advisable for the more complete protection of the interests of the public.

(3) Charge as costs of investigation or examination all reasonable expenses, including a per diem prorated upon the salary of the commissioner or employee and actual traveling and hotel expenses. All reasonable expenses are to be paid by the party or parties under investigation or examination if the party has violated this chapter.

(4) Issue notices and orders, including cease and desist notices and orders, after making an investigation or examination under subdivision (2). The commissioner may also bring an action on behalf of the state to enjoin a person from violating this chapter. The commissioner shall notify the person that an order or notice has been issued, the reasons for it, and that a hearing will be set within fifteen (15) days after the commissioner receives a written request from the person requesting a hearing.

(5) Sign all orders, official certifications, documents, or papers issued under this chapter or delegate the authority to sign any of those items to a deputy.

(6) Hold and conduct hearings.

(7) Hear evidence.

(8) Conduct inquiries with or without hearings.

(9) Receive reports of investigators or other officers or employees of the state of Indiana or of any municipal corporation or governmental subdivision within the state.

(10) Administer oaths, or cause them to be administered.

(11) Subpoena witnesses, and compel them to attend and testify.

(12) Compel the production of books, records, and other documents.

(13) Order depositions to be taken of any witness residing within or without the state. The depositions shall be taken in the manner prescribed by law for depositions in civil actions and made returnable to the commissioner.

(14) Order that each witness appearing under the commissioner's order to testify before the commissioner shall receive the fees and mileage allowances provided for witnesses in civil cases.

(b) If a witness, in any hearing, inquiry, or investigation conducted under this chapter, refuses to answer any question or produce any item, the commissioner may file a written petition with the circuit or superior court in the county where the hearing, investigation, or inquiry in question is being conducted requesting a hearing on the refusal. The court shall hold a hearing to determine if

the witness may refuse to answer the question or produce the item. If the court determines that the witness, based upon the witness's privilege against self-incrimination, may properly refuse to answer or produce an item, the commissioner may make a written request that the court grant use immunity to the witness. Upon written request of the commissioner, the court shall grant use immunity to a witness. The court shall instruct the witness, by written order or in open court, that:

- (1) any evidence the witness gives, or evidence derived from that evidence, may not be used in any criminal proceedings against that witness, unless the evidence is volunteered by the witness or is not responsive to a question; and
- (2) the witness must answer the questions asked and produce the items requested.

A grant of use immunity does not prohibit evidence that the witness gives in a hearing, investigation, or inquiry from being used in a prosecution for perjury under IC 35-44-2-1. If a witness refuses to give the evidence after he has been granted use immunity, the court may find him in contempt.

(c) In any prosecution, action, suit, or proceeding based upon or arising out of this chapter, the commissioner may sign a certificate showing compliance or noncompliance with this chapter by any person. This shall constitute prima facie evidence of compliance or noncompliance with this chapter and shall be admissible in evidence in any action at law or in equity to enforce this chapter.

*As added by P.L.235-1985, SEC.1. Amended by P.L.230-1999, SEC.6.*

#### **IC 23-2-5-12**

##### **Certified copies of statements, documents, or records; admissibility**

23-2-5-12 Sec. 12. Copies of any statement or document filed with the commissioner, and copies of any records of the commissioner, certified to by the commissioner or any deputy are admissible in any prosecution, action, suit, or proceeding based upon, or arising out of or under, the provisions of this chapter to the same effect as the original of the statement, document, or record would be if actually produced.

*As added by P.L.235-1985, SEC.1.*

#### **IC 23-2-5-13**

##### **Court to compel obedience to subpoena, order, or demand**

23-2-5-13 Sec. 13. Upon:

- (1) disobedience on the part of any person to any lawful subpoena issued under this chapter, or to any lawful order or demand requiring the production of any books, accounts, papers, records, documents, or other evidence or information as provided in this chapter; or
- (2) the refusal of any witness to appear when subpoenaed, to testify to any matter regarding which the witness may be



lawfully interrogated, or to take or subscribe to any oath required by this chapter;  
it shall be the duty of the circuit or superior court of the county in which the hearing or inquiry or investigation in question is being or is to be held, where demand is made, or where the production is ordered to be made, upon written petition of the commissioner, to compel obedience to the lawful requirements of the subpoena, order, or demand.  
*As added by P.L.235-1985, SEC.1. Amended by P.L.230-1999, SEC.7.*

#### **IC 23-2-5-14**

##### **Civil penalty; actions to enforce penalties**

23-2-5-14 Sec. 14. (a) If the commissioner determines, after a hearing, that a person has violated this chapter, the commissioner may, in addition to all other remedies, impose a civil penalty upon the person in an amount not to exceed ten thousand dollars (\$10,000) for each violation.

(b) The commissioner may bring an action in the circuit or superior court of Marion County to enforce payment of any penalty imposed under this section.

*As added by P.L.235-1985, SEC.1. Amended by P.L.230-1999, SEC.8.*

#### **IC 23-2-5-15**

##### **Damages; interest; attorney's fees; contract void**

23-2-5-15 Sec. 15. Any person who violates this chapter, in connection with a contract for the services of a loan broker, is liable to any person damaged by the violation, for the amount of the actual damages suffered, interest at the legal rate, and attorney's fees. If a person violates any provision of this chapter, in connection with a contract for loan brokering services, the contract is void, and the prospective borrower is entitled to receive from the loan broker all sums paid to the loan broker.

*As added by P.L.235-1985, SEC.1. Amended by P.L.230-1999, SEC.9.*

#### **IC 23-2-5-16**

##### **Violations; felony**

23-2-5-16 Sec. 16. A person who knowingly violates this chapter commits a Class D felony.

*As added by P.L.235-1985, SEC.1.*

#### **IC 23-2-5-17**

##### **Rescission of transaction; limitations**

23-2-5-17 Sec. 17. (a) If a transaction for which a loan broker has charged any fee is rescinded by any person under the provisions of the Truth-in-Lending Act (15 U.S.C. 1601-1667e) within twenty (20) calendar days after a notice of the rescission has been delivered to the creditor, the loan broker shall return to the person any

consideration that has been given to the loan broker other than bona fide third party fees.

(b) For purposes of calculating the time period during which a person may avoid a contract under IC 24-5-10-8 or IC 24-4.5-2-502, a contract with a loan broker shall be considered to be a sale of services that occurs on the date on which the person signs the written contract required by section 9 of this chapter.

*As added by P.L.247-1987, SEC.4. Amended by P.L.3-1990, SEC.82; P.L.113-1992, SEC.6.*

## **IC 23-2-5-18**

### **Account numbers; records; duration**

23-2-5-18 Sec. 18. (a) Each loan broker agreement shall be given an account number. Each licensee shall keep and maintain the following records or their electronic equivalent:

(1) A file for each borrower or proposed borrower that contains the following:

(A) The name and address of the borrower or any proposed borrower.

(B) A copy of the signed loan broker agreement.

(C) A copy of any other papers or instruments used in connection with the loan broker agreement and signed by the borrower or any proposed borrower.

(D) If a loan was obtained for the borrower, the name and address of the creditor.

(E) If a loan is accepted by the borrower, a copy of the loan agreement.

(F) The amount of the loan broker's fee that the borrower has paid. If there is an unpaid balance, the status of any collection efforts.

(2) All receipts from or for the account of borrowers or any proposed borrowers and all disbursements to or for the account of borrowers or any proposed borrowers, recorded so that the transactions are readily identifiable.

(3) A general ledger that shall be posted at least monthly, and a trial balance sheet and profit and loss statement prepared within thirty (30) days of the commissioner's request for the information.

(4) A sample of:

(A) all advertisements, pamphlets, circulars, letters, articles, or communications published in any newspaper, magazine, or periodical;

(B) scripts of any recording, radio, or television announcement; and

(C) any sales kits or literature;

to be used in solicitation of borrowers.

(b) The records listed in subsection (a) shall be kept for a period of two (2) years in the licensee's principal office and must be separate or readily identifiable from the records of any other business that is conducted in the office of the loan broker.

*As added by P.L.247-1987, SEC.5. Amended by P.L.113-1992, SEC.7; P.L.230-1999, SEC.10.*

**IC 23-2-5-19**

**Exempt individuals; "bona fide third party fee" and "successful procurement of a loan" defined; burden of proof**

23-2-5-19 Sec. 19. (a) The following persons are exempt from the requirements of sections 4, 5, 6, 9, 17, 18, and 21 of this chapter:

- (1) Any attorney while engaging in the practice of law.
- (2) Any certified public accountant, public accountant, or accountant practitioner holding a certificate or registered under IC 25-2.1 while performing the practice of accountancy (as defined by IC 25-2.1-1-10).
- (3) Any person licensed as a real estate broker or salesperson under IC 25-34.1 to the extent that the person is rendering loan related services in the ordinary course of a transaction in which a license as a real estate broker or salesperson is required.
- (4) Any broker-dealer, agent, or investment advisor registered under IC 23-2-1.

(5) Any person that:

- (A) procures;
- (B) promises to procure; or
- (C) assists in procuring;

a loan that is not subject to the Truth in Lending Act (15 U.S.C. 1601 through 1667e).

(6) Any community development corporation (as defined in IC 4-4-28-2) acting as a subrecipient of funds from the Indiana housing finance authority established by IC 5-20-1-3.

(7) The Indiana housing finance authority.

(8) Any person authorized to:

- (A) sell and service a loan for the Federal National Mortgage Association or the Federal Home Loan Mortgage Association;
  - (B) issue securities backed by the Government National Mortgage Association;
  - (C) make loans insured by the United States Department of Housing and Urban Development or the United States Department of Agriculture Rural Housing Service;
  - (D) act as a supervised lender or nonsupervised automatic lender of the United States Department of Veterans Affairs;
- or
- (E) act as a correspondent of loans insured by the United States Department of Housing and Urban Development.

(9) Any person who is a creditor, or proposed to be a creditor, for any loan.

(b) As used in this chapter, "bona fide third party fee" includes fees for the following:

- (1) Credit reports, investigations, and appraisals performed by a person who holds a license or certificate as a real estate appraiser under IC 25-34.1-8.

(2) If the loan is to be secured by real property, title examinations, an abstract of title, title insurance, a property survey, and similar purposes.

(3) The services provided by a loan broker in procuring possible business for a lending institution if the fees are paid by the lending institution.

(c) As used in this section, "successful procurement of a loan" means that a binding commitment from a creditor to advance money has been received and accepted by the borrower.

(d) The burden of proof of any exemption or classification provided in this chapter is on the party claiming the exemption or classification.

*As added by P.L.247-1987, SEC.6. Amended by P.L.113-1992, SEC.8; P.L.30-1993, SEC.3; P.L.230-1999, SEC.11; P.L.73-2004, SEC.13.*

### **IC 23-2-5-20**

#### **Prohibited acts**

23-2-5-20 Sec. 20. A person shall not, in connection with a contract for the services of a loan broker, either directly or indirectly, do any of the following:

(1) Employ any device, scheme, or artifice to defraud.

(2) Make any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of circumstances under which they are made, not misleading.

(3) Engage in any act, practice, or course of business that operates or would operate as a fraud or deceit upon any person.

(4) Collect or solicit any consideration, except a bona fide third party fee, in connection with a loan until the loan has been closed.

*As added by P.L.247-1987, SEC.7. Amended by P.L.113-1992, SEC.9; P.L.230-1999, SEC.12; P.L.115-2001, SEC.5.*

### **IC 23-2-5-21**

#### **Academic instruction requirements**

23-2-5-21 Sec. 21. (a) Except as provided under section 5(d) of this chapter, a person applying for a license or certificate of registration must provide to the commissioner evidence that during the twenty-four (24) month period immediately preceding the application that the person completed at least twenty-four (24) hours of academic instruction, acceptable to the commissioner, related to the loan brokerage business. A person renewing a license or certificate of registration must provide to the commissioner evidence that during the twenty-four (24) month period immediately preceding the application that the person completed at least twelve (12) hours of academic instruction, acceptable to the commissioner, related to the loan brokerage business.

(b) In determining the acceptability of academic instruction the commissioner shall give consideration to approval of a licensee's

internal academic instruction programs completed by employees.  
*As added by P.L.230-1999, SEC.13.*